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USSR INTERNATIONAL AFFAIRS
11 January 1962

Official U.N. quarters also confirmed a report that 35 foreign mercenaries arrived in Brazzaville, the former French Congo, 8 December and were immediately taken to the Rhodesian airfield at Ndola, near the Congo border.

The U.N. acting secretary general, in his communication to the consulative committee on the Congo, once again pointed out that the territory of the British-administered Federation of Rhodesia and Nyasaland was being used for transporting mercenaries to Katanga and for air operations against U.N. troops. The head of the U.N. Secretariat also confirmed that the authorities of the Federation of Rhodesia and Nyasaland, and also the Government of Portugal, rudely and categorically refused to comply with the demand of the U.N. Secretariat that U.N. observers be stationed along the boundaries of the Congo.

Thus, all the efforts of the colonialists are now directed toward enabling their placemen to recover from the sustained defeats and to establish some "free federation" of the Katanga Province with the Congo. It is noted here that U.N. troops in the Congo are presently not conducting operations for the earliest removal of foreign mercenaries from the Congo. The U.N. command explains this by the strange argument that talks on the implementation of the Kitona agreement are going on between Tshombe and the Government of the Congo, but can the presence of mercenaries in Katanga facilitate the progress of these talks?

COMMUNIQUE ON SOVIET-CUBAN TRADE TALKS

Moscow TASS in English to Europe 1256 GMT 10 January 1962--L

(Text) Havana--A communique on the Soviet-Cuban trade talks was signed here. It says: A Soviet Government trade delegation, led by Deputy Foreign Trade Minister M.R. Kuzmin, stayed in the Republic of Cuba between 20 December 1961 and 9 January 1962. It held talks with a Cuban Government trade delegation, headed by Deputy Foreign Trade Minister Raul Maldonado, on the signing of a trade protocol between the USSR and the Republic of Cuba in 1962. During their stay in the Cuban Republic, the Soviet trade delegation had meetings with Fidel Castro, Raul Castro, Ernesto Guevara, Nunez Jimenez, Alberto Mora, and other statesmen of the Cuban Republic.

The Soviet delegation visited Santiago de Cuba, Manzanillo, the Moa and Nicaro factories, the fishing village of Camilo Cienfuegos, the Camilo Cienfuegos school campus, Playa Hiron, and Pinos Island. The delegation attended a reception given by Cuban President Osvaldo Dorticos on 1 January 1962 and also a military parade and mass meeting held in Jose Marti Square on 2 January 1962 on the occasion of the third anniversary of the Cuban socialist revolution.

Throughout their stay in Cuba, the Soviet delegation was received most hospitably everywhere and witnessed expressions of the warm friendly feelings of the people of Cuba for the Soviet people. The trade negotiations took place in an atmosphere of friendship, fraternal cooperation, and full mutual understanding.

A protocol on the reciprocal delivery of goods between the USSR and the Republic of Cuba in 1962 was signed in Havana 9 January 1962 as a result of the negotiations. It provides for a considerable expansion of the trade between the two countries as compared with preceding years. The trade protocol was signed on instructions from the Soviet Government by M.R. Kuzmin, head of the Soviet trade delegation, and on instructions from the Government of the Cuban Republic by Raul Maldonado, head of the Cuban trade delegation.

Under the concluded protocol, the Soviet Union will export to Cuba in 1962 oil and petroleum products, ferrous and nonferrous metals, fertilizers, chemicals, lumber, cellulose, paper, cotton, wheat, flour, animal fats and vegetable oils, various plants and equipment, instruments, and numerous other commodities of vital importance for the successful development of the Cuban economy and supplying the population. The Republic of Cuba will export to the Soviet Union sugar, alcohol, nickel ores, tobacco products, rum, fresh canned fruit, juices, and so forth.

Both sides expressed complete satisfaction with the results of the talks and noted the fruitful development of trade and economic relations between the Soviet Union and the Cuban Republic. The sides also expressed confidence that trade between the USSR and the Cuban Republic in 1962 would contribute to the further strengthening of friendship and fraternal cooperation between the peoples of both countries.

The communique, which has just been signed, said the head of the Cuban trade delegation, Raul Maldonado, emphasizes once more the tremendous significance of the friendly links between the USSR and Cuba. It means that the close trade and economic relations and the friendship between our countries and peoples continually extend and grow stronger in the name of world peace. Raul Maldonado also noted that the trade talks were marked by a spirit of sincere fraternal cooperation and complete mutual understanding.

✓ MCCONE ROLE IN AIR FORCE CONTRACT CITED

Moscow TASS in English to Europe 2012 GMT 10 January 1962--L

(Text) New York--The DAILY MIRROR 10 January carries an article by Drew Pearson on the new chief of the Central Intelligence Agency, John McCone. Pearson says that if the members of the Senate Armed

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Services Committee, which is to indorse McCone's appointment, turn to their own subcommittee hearings of June 1953 and thereafter, they will find some amazing testimony by and about the new CIA chief.

When McCone was under secretary of the Air Force, Pearson points out, he awarded a "Flying Boxcar" contract to the Kaiser-Frazer Company for three times the price the government was paying to the Fairchild Corporation. According to Pearson, "in 1950 McCone came to the rescue of Kaiser when his attempt to compete with other automobile manufacturers with the "Henry J" and other Kaiser-Frazer cars had flopped. According to the testimony unearthed by Senator Bridges, Kaiser's close associate McCone, with whom Kaiser had been engaged in West Coast shipbuilding, got him off the hook. McCone produced a quickie contract to manufacture the C-119 Flying Boxcar."

The cost per plane as built by Kaiser was to be 688,365 dollars, as compared with 260,000 dollars per plane as built by Fairchild of Hagerstown, Maryland. The Air Force under McCone, however, took part of the contract away from Fairchild despite the higher cost.

Attempting to explain this to Senator Bridges, McCone's alibi was that the Defense Department wanted to develop secondary suppliers. He had to admit under cross-examination, however, that Secretary Marshall had issued the directive on "secondary suppliers" only after the Kaiser contract had been negotiated. In the end, Kaiser charged the Air Force not the estimated 688,365 dollars but 1,339,140 dollars per plane.

(Editor's Note--W: Moscow in Spanish at 0100 GMT 11 January adds that "the secret of McCone's generosity at the expense of state funds, Pearson says, is that he owns a large share of stock in the Kaiser-Fraser Company, which operates in Argentina.)

USSR PROPOSALS POINT WAY TO DISARMAMENT

Zorin Princeton Speech

Moscow TASS in English to Europe 1100 GMT 11 January 1962--L

(Text) New York--Soviet Ambassador to the United Nations Valerian Zorin spoke at Princeton University 10 January on the results of the first party of the 16th session of the U.N. General Assembly.

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At the beginning of his report, Zorin said that he had accepted the invitation to visit the university, which he had received from the Princeton U.N. Association, because exchange of opinions between representatives of various circles in the USSR and the United States is an important means of improving relations between the two countries.

The 16th session of the U.N. General Assembly was held in an atmosphere of a serious aggravation of international relations and conflicts in various parts of the world, which could not but make an imprint on the discussion in various committees and at plenary meetings. On the other hand, the 22d CPSU Congress held at that time, which reaffirmed the consistent course of the Soviet policy of peaceful coexistence of states and adopted a magnificent program of communist construction in the USSR, made a strong impact on the nature and results of the discussion of highly important international problems on the agenda of the General Assembly session.

V.A. Zorin dwelt on the progress of the discussion of disarmament at the session. Although the situation for a solution of this problem was unfavorable on balance, he said, it was nevertheless possible at the 16th session of the General Assembly to reach an understanding on some positive steps in this field. Specifically, it was possible to reach agreement on setting up a body for subsequent talks--the Disarmament Commission--which included not only representatives of the socialist and capitalist countries but also representatives of nonaligned countries. But the Soviet delegation to the General Assembly pointed out that the United States put an interpretation on some agreed formulations of basic principles of disarmament that had little in common with actual disarmament, and tried to substitute control over armaments for genuine disarmament under international control.

The United Nations must play its positive role in the practical realization of disarmament, in implementing measures to strengthen universal peace, and in arranging international cooperation in various fields, Zorin said in conclusion. The Soviet Government has recently made considerable efforts to establish such cooperation and to settle by negotiation the contentious issues dividing our countries. We express the hope that the U.S. Government, on its part, will meet these efforts halfway to jointly eliminate the dangerous international tension, remove the main reasons for this tension, and insure peaceful coexistence of states with different social systems.

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United States Senate

MEMORANDUM

January 12, 1962

TO: John McCone

Executive Registry

62-290

FROM: Benjamin Mandel
Research Director
Internal Security Sub-
committee

In case this has not been called
to your attention.